

- If DRS receives money, but no Payment Advice form, the money will be applied to Plan 2.
- If the payment amount causes an overage or an underage, DRS will apply the money to Plan 2.

### **Submitting the Credit Redistribution Form**

The Credit Redistribution form is used to reconcile receivable balances on your statement. Normally, you will use the form to move money from one receivable with a credit balance (a negative amount) to another receivable with a debit balance (a positive amount). When you submit the form, be aware of the following points:

- Instructions are on the back of the form. If you need additional information, contact your DRS Account Manager.
- The form can be sent to DRS at any time; you do not need to wait until you send your regular monthly payment. If the form is received at DRS by the due date, the credit redistribution should appear on your next month's statement.
- Make sure you include your name and phone number on the form so your DRS Account Manager can contact you if there are any questions.
- Negative amounts should not be entered on the form. Amounts you enter in the FROM column are posted as a debit and amounts you enter in the TO column are posted as a credit. Make sure you enter the system, plan, invoice number, payment number, and amount.
- You should not move money from a month with a positive or negative balance of \$4.99 or less.
- Credits can be moved from one system or plan to another.
- If you move money from a receivable with a debit balance, you will increase the amount of the debit balance (the amount owed to DRS) and you will be charged interest.

### **Keeping Accounts in Balance—Plan Changes**

If you report a member in the wrong plan, the reported transmittal information is moved into the correct plan when the transmittal is processed. (This does not apply to Plan 3.)

If you are a non-taxed employer, DRS recalculates the member and employer contributions based on the contribution rates that apply for each plan, and adjusts your invoice for each plan accordingly.

If you are a taxed employer, DRS recalculates the employer contributions only and adjusts your CT invoices for each plan accordingly. Your statement will reflect these changes. To balance your account, you need to complete the Credit Redistribution form and send any monies due, with the Payment Advice form. (Refer to Chapter 9 for information about making the necessary corrections through the transmittal process.) DRS does not adjust payments you have sent. Consequently, you will need to take steps to balance your account. For example:

- You are a PERS non-taxed employer reporting for the May 1999 reporting period. You report and pay contributions of \$48,152.54 to Plan 1 and \$106,516.07 to Plan 2. You reported employees' salaries of \$20,205.19 in the wrong plan so DRS processes a plan change.
- The statement will show your payments to Plan 1 and Plan 2 as indicated on the Payment Advice form. The CT invoice amounts will have been adjusted for the differences in contribution rates between Plan 1 and Plan 2. This results in a debit of \$2,727.70 in Plan 1 and a credit of \$2,454.93 in Plan 2.

**Note:** The Transmittal Edit Messages report will show how your reported contributions were adjusted. (See Chapter 9 for details about this report.)

- To balance the account, complete a Credit Redistribution form *and* a Payment Advice form.

—Use the Credit Redistribution form to move \$2,454.93 from Plan 2 to Plan 1. This will leave \$272.77 still due to Plan 1.

—Use the Payment Advice form to report the payment of the remaining balance of \$272.77 to Plan 1.

**Note:** You should deduct this money from the employee's gross salary to keep the employee's tax information coordinated with how their contributions are recorded at DRS.

- Send the forms and your payment to DRS. Once the materials have been received and processed, your statement will show the